

**MINUTES OF THE MEETING OF  
THE REDEVELOPMENT COMMISSION OF GREENSBORO  
PLAZA LEVEL CONFERENCE ROOM  
MELVIN MUNICIPAL OFFICE BUILDING  
May 13<sup>th</sup>, 2010**

The Redevelopment Commission of Greensboro met in a regular session in the Plaza Level Conference Room, Melvin Municipal Office Building, on Thursday May 13<sup>th</sup>, at 4:30 PM. Commissioners present were: Chair Jerry Leimenstoll, Angela Carmichael, and Dawn Chaney. Staff included Dan Curry, Dyan Arkin, Barbara Harris, and Mike Cowhig representing the Housing and Community Development Department (HCD). Also present was Jim Blackwood, Esq., attorney for the Commission.

**1. APPROVAL OF THE MINUTES OF THE APRIL 8th, 2010 REGULAR MEETING**

Ms. Carmichael moved to approve the minutes as submitted, seconded by Ms. Chaney. The Commission voted unanimously, 3-0, in favor of the motion. (Ayes: Leimenstoll, Carmichael, Chaney. Nays: None.)

**2. WARNERSVILLE REDEVELOPMENT AREA: SHILOH BAPTIST CHURCH PURCHASE CONTRACT AMENDMENT AND SUBORDINATION AGREEMENT**

Ms. Arkin presented a diagram of the Otis T. Harriston Family Enrichment Center. The Commission sold the property to Shiloh Baptist Church in 1996 for construction of a family life center, and they are about to close on a construction loan. There have been previous amendments to the contract to extend the construction start and completion dates. They are prepared to move forward with construction, but have missed the amended construction start date of January 1<sup>st</sup>. Clinton Gravely, architect for the church, sent a request to the Commission for another amendment to the purchase contract to allow a construction start date of July 1<sup>st</sup>, 2010 and completion date of June 30<sup>th</sup>, 2011.

Also included in the request is an amendment to the subordination clause of the contract that would allow reversion of rights to the construction lender. Mr. Blackwood stated that the deed has provisions that call for compliance with the contract. If Shiloh Baptist Church did not comply, there was a right of reversion for the property to come back to the Commission. The deed also includes a provision that allows the reversion right to be subordinated to any construction lender. The construction lender has requested a formalized document stating that the construction lender is protected by the subordination clause.

Clinton Gravely, 601 Allen Dr., architect for and member of Shiloh Baptist Church, stated they have been in the loan closing process for several months, and these are the last documents necessary for finalization. They may not need the entire construction period to complete construction, but have included it in case of any delays. The church is borrowing less than 50% of the total construction costs, but due to lending regulations these amendments are necessary for the loan. They appreciate the cooperation of the Commission and staff over the years.

Ms. Carmichael asked if construction would begin by July 1<sup>st</sup>. Mr. Gravely stated that they hoped to begin construction before that time, as soon as they can finalize the loan.

Ms. Chaney asked if the construction lender was putting any restrictions on a timeframe for completing certain construction. Mr. Gravely stated there were no restrictions from the lender, but the contractor has estimated a completion time of about seven months.

Chair Leimenstoll stated that the relationship between the church and the Commission goes back many years, and he appreciates what the Commission has been able to do to help the completion of this project.

In response to a question from the Chair, Mr. Blackwood gave a brief outline of the language necessary for the motion.

Ms. Carmichael moved that the Commission approve the execution of the amendment to the purchase contract stating a new commencement date on or before July 1<sup>st</sup>, 2010, completion date on or before June 30<sup>th</sup>, 2011, and the execution of the subordination agreement in favor of the construction lender providing that the provisions in the deed for this property from the Commission to Shiloh Baptist Church will be subordinated to the rights of deed of trust to the construction lender. Ms. Chaney seconded the motion. The Commission voted unanimously, 3-0, in favor of the motion. (Ayes: Leimenstoll, Carmichael, Chaney. Nays: None.)

### **3. OLE ASHEBORO REDEVELOPMENT AREA: 620 MLK UPDATE ON STATUS OF RESTRICTIONS**

Ms. Arkin stated the Commission conveyed the property to the nonprofit, Gideon's Army, in 1997 for rehabilitation and sale to a homeowner. Ms. Arkin presented photographs showing before and after rehab efforts. The property was sold to an owner-occupant who appears to have owned the property until it went into foreclosure in 2006. Mr. José Torres recently purchased the property to rehabilitate for his family residence. He did not obtain a work permit before beginning construction, and Building Inspections has issued a stop-work order. There are restrictive covenants from the Commission and Preservation, which call for the Commission to approve the plans for changes to the property.

Mr. Cowhig stated the City completed an Architectural Survey, and funded a National Register nomination for the Ole Asheboro Neighborhood. The National Register identified the house as a contributing structure to District. The City's focus changed from clearance of blighted structures to rehabilitation. The house was part of a historic housing marketing program that focused on comprehensive efforts to market property for restoration. Houses were sold to people who agreed to renovate them based on Secretary of the Interior's Standards. The Commission placed restrictive covenants on the house for redevelopment and preservation standards. The covenants state that the house will be maintained in a manner consistent with the Secretary of the Interior's Standards, and any alterations would be brought to the Redevelopment Commission or the Historic Preservation Commission for approval prior to any work beginning. Staff met with the owner and inspected the house finding the inside gutted and exterior primarily intact. The focus of the preservation is now on the exterior.

Chair Leimenstoll asked how this came to the department's attention. Mr. Cowhig stated that a neighbor informed them there was construction at the site, and the City issued a stop-work order very soon afterward.

In response to a question from Chair Leimenstoll, Mr. Cowhig stated that the property was sold before efforts were made to relax standards in redevelopment areas. The South Greensboro Historic District Guidelines are the practical standards to follow for any future changes to the property.

Ms. Chaney asked if there would be any possibility of tax credits for the owner. Mr. Cowhig stated they were unlikely because no one has documented renovation effort show what was preserved.

José Torres, 1008 Tuscaloosa St., owner of the property, stated he purchased the property about three months ago and was not aware of the restrictive covenants. There were problems resolving the title, and the property seemed to go through several owners. He purchased the house in order to renovate and live in the home with his family. When purchased, the home was already undergoing renovations including demolition of the interior. He decided to complete the interior renovation. As soon staff informed him that there were restrictions on the house, they stopped construction. He recently submitted plans to staff for review. He does not plan on making any major changes to the exterior of the house. The biggest issue is the windows in the house.

In response to a question from Ms. Carmichael, Mr. Torres stated that he planned to live in the house and make all renovations himself.

Chair Leimenstoll suggested that staff meet with Mr. Torres to review the plans and discuss the standards that must be met. It may be best to continue this matter for a month. Mr. Cowhig stated that he would meet with Mr. Torres and go over the conditions and guidelines.

Mr. Torres stated his only concern was that he would not be able to continue renovations to the interior of the house. Ms. Chaney stated that after staff discusses the guidelines with Mr. Torrez, there are likely items on the interior where renovation could continue.

Chair Leimenstoll suggested that since the focus of these covenants are for the exterior, staff, after review with Mr. Torres, could issue a building permit for the interior. Any changes proposed to the exterior would still need approval of the Commission.

#### **4. EXECUTIVE SESSION**

Ms. Carmichael moved to enter closed session to discuss legal matters, seconded by Chair Leimenstoll. The Commission voted unanimously, 3-0, in favor of the motion. (Ayes: Leimenstoll, Carmichael, Chaney. Nays: None.)

The Commission entered closed session at 5:11 PM and resumed the regular meeting at 5:18 PM.

#### **5. SOUTH ELM STREET REDEVELOPMENT AREA: CONSIDERATION OF AGREEMENT FOR PROVISION OF ACCESS**

Mr. Curry stated that a few months ago the Commission asked that an alley be closed in order to make the Commission properties on Bragg Street more marketable for development. Attorney Scott Brannon researched the deed and found that the deeds on the Commission-owned properties referenced the alley, but there is no reference on the deed for 518 Arlington Street, the Gray property. Based on those findings, the Planning Department initiated an alleyway closing petition. The Planning Board approved the item, but during the City Council meeting Mr. Gray opposed the closing. City Council asked staff to investigate if the Commission could obtain deed warranty on their properties, clear of this alleyway. Legal staff has indicated that a clear title could not be obtained. Staff held a meeting with David Gray, Sidney Gray, and Rickey Gray to hear their side of the issue. The Grays believe the alley was placed on the property to provide access to 528 Arlington Street. There are aerial photographs in the 1960s that show tire tracks along the alleyway into the back of 518 Arlington Street. Given this, staff feels that City Council may not approve the alley closing, and an agreement is necessary with David Gray. Staff has developed a proposed agreement.

Chair Leimenstoll asked staff to further explain the significance of the alley closing for Commission-owned property. Mr. Curry presented a map of the Commission properties in the area, and stated that the alley cuts through a section of Commission-owned contiguous properties along Martin Luther King Jr. Drive. Without closing the alley it limits the marketability of the properties for a single development. Chair Leimenstoll stated there are several alleys connected with Commission properties, but the others have legal documentation.

Mr. Blackwood stated that a general agreement has been reached whereby Mr. Gray will not contest the closing if alternate access is provided. Staff needs approval from the Commission to negotiate a formal agreement to provide alternate access to either Bragg Street or South Elm Street. Mr. Curry described the options for the alternative access. At this point, joint-use access is proposed. The item has been continued several times, and staff wishes to have the alley closed during the June City Council meeting so the Request for Proposal process can go on as scheduled.

Ms. Carmichael moved that the Commission grant staff and legal counsel the authority to negotiate an agreement with David Gray that would provide a comparative access point between 518 Arlington Street and Bragg Street or South Elm Street, with the location to be determined at the sole discretion of the Commission, and to obtain consent for the alley closing. Ms. Chaney seconded the motion. The Commission voted unanimously, 3-0, in favor of the motion. (Ayes: Leimenstoll, Carmichael, Chaney. Nays: None.)

#### **6. SOUTH ELM STREET REDEVELOPMENT AREA: DISPOSITION AND DEVELOPMENT**

Staff presented a draft Request for Proposals (RFP) to the Commission in their packets. Mr. Curry stated that the schedule calls for Commission feedback on the draft RFP, and if the document is ready for review by the Technical Advisory Team. Staff is in the process of finalizing contracts with the members of the Technical Review Team. The Technical Advisory Team will provide feedback and guidance with the RFP and technical review and analysis of proposals.

Chair Leimenstoll asked if staff decided on the team members. Mr. Curry stated that the team was as presented at the last meeting. The members include Mac Nichols, urban economist, market specialist, and urban developer; Mitch Silver, Planning Director of the City of Raleigh; Seth Harry, urban designer with development experience; and John Linn, local architect and facilitator. All have agreed to help with this project, and they will sign professional service contracts over the next week. No formal RFP process was necessary for the services because the contract amounts are low.

Chair Leimenstoll asked if the project seems on schedule. Mr. Curry stated that it was on schedule, and one member of team should be able to meet with the Commission next month.

Ms. Chaney asked if they have planned a meeting to get all of the team members together. Mr. Curry stated that the contracts are not large enough to accommodate travel expenses, but several of the members should be able to meet with each other. The focus of the work will be technical review via internet communication among the members and staff. John Linn, the local member and facilitator, could be here as needed to work with the Commission.

Chair Leimenstoll asked if there could be at least one meeting with all members together. Ms. Arkin stated that has discussed the issue with the team and they are all willing, but there are some limitations. Three of the four members come through Greensboro regularly, but Mac Nichols may not be able to meet in person.

Chair Leimenstoll brought the discussion back to the draft RFP. Mr. Curry stated that the design standards have been further developed, and the Commission had already reviewed most of the rest of the document. In response to a question from Ms. Chaney, Mr. Curry stated that the development plan does call for a large footprint building as an anchor. Several ideas for an anchor have been discussed including residential, office, and a neighborhood supported grocery or market establishment. These ideas are part of the marketing strategy that will be used over the next few months.

Chair Leimenstoll stated that the draft RFP is thoughtfully worked out. He is particularly interested in the environmental, sustainability, and stormwater standards. He suggested that the RFP could be more specific in these standards. Specifically it may need to ask for a particular level of LEED certification, rather than just meeting LEED basic standards.

Ms. Arkin stated that the consensus from the Commission is to set the bar high, but there may be some revisions acceptable if they can show why they cannot meet the higher standards. LEED certification is measurable, and measurability is very important. Chair Leimenstoll suggested an increased level of LEED certification would be better to start with, and if necessary the bar could be lowered. It would be best to have a Platinum Certified building that has no stormwater going off site. Practically this might not be possible, but it should at least be the initial goal. Mr. Curry stated that having no stormwater leaving the site might not be possible because of Brownfield requirements. Ms. Arkin stated that they would better understand what could be achieved after completion of the Brownfield agreement. Mr. Curry stated that the RFP could more clearly state these environmental goals, and staff will work to include those standards before submitting the RFP to the technical team.

Under the discussion of financial assistance from the City, Chair Leimenstoll stated that he was worried about how that would be handled once it left the Commission. He felt there needed to be public buy-in for the project to ensure that the project is handled correctly for City assistance.

Chair Leimenstoll suggested that, again, the bar needs to be set high for urban design standards. He feels the standards are so general in the draft that they are nondirective. He asked why 25% of store frontage was allowed to be non pedestrian oriented. Mr. Curry stated that allows for service oriented area be included in the development. The architecture could include storefront guidelines similar to those used at The Shoppes at Friendly Center. The guidelines are requirements intended to create a successful environment. Mr. Curry stated another option is the City Downtown Design Overlay. This overlay uses a scoring system for its guidelines. Staff will submit the draft to the technical team for review with the changes mentioned.

Chair Leimenstoll asked what the next step of the marketing plan would be concerning the RFP. Ms. Arkin stated that Community Retail Catalysts would like to be engaged in the process, but their services may not be affordable. Mr. Curry stated that they marketing plan already provides the Commission with a comprehensive set of recommendations. Now staff must determine the most effective and efficient marketing methods for this project. Chair Leimenstoll stated that the most salient point from the marketing strategy is that this is a City of Greensboro project and that everyone involved needs to be proactive. Mr. Curry stated that once the RFP is advertised the Commission needs to maintain ownership of the process in order to sustain consistent progress towards the final goal. It may be necessary to get on a Council Briefing agenda in July to lay out the process and the involvement of the City. Ms. Chaney suggested that all members of the Commission get in touch with members of the Council to ensure a working relationship and community buy-in, especially at the Council level.

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There being no further business before the Commission, the meeting adjourned at 6:35 PM.

Respectfully submitted,

Dan Curry,  
Secretary, HCD

DC/jd